



## Shared Insurance Affordability Program Eligibility Service

November 25, 2013

**How can Connect for Health Colorado and its state partners improve the application and eligibility determination experience for customers seeking financial help paying for medical coverage?**

### **Goals/Objectives of Connect for Health Colorado:**

- Fulfill the mission outlined in SB-200 to increase access, affordability and choice for individuals and families purchasing health insurance in Colorado
- Provide accurate and timely determinations for people applying for Medicaid, Child Health Plan *Plus* (CHP+) and Advanced Premium Tax Credits (APTC) and Cost Sharing Reductions (CSR)
- Provide an excellent experience to Coloradans utilizing the Marketplace
- Comply with applicable state and federal rules and regulations

### **Background:**

Following the launch of Colorado's Marketplace (C4HCO) and the State's health reform implementation, improvements have been made to the financial application experience and eligibility service for people seeking financial help to pay for medical coverage. The Department of Health Care Policy and Financing (HCPF) and the Office of Information Technology (OIT) are making ongoing adjustments to PEAK to make the application more dynamic, ensure necessary information is captured in the application before submission to complete an eligibility determination for Medicaid and CHP+ and increase the percentage of real-time determinations. Connect for Health Colorado is supporting customers denied for Medicaid and CHP+ as they complete determinations for APTC and CSR and proceed to plan shopping and enrollment through its online system (see Figure 1). Going forward, a long term solution should be implemented to further streamline the financial application, eligibility and enrollment process (see Figure 2).

### **Applicable rules and regulations**

#### *Colorado*

2505,1305 Department of Health Care Policy and Financing, 2505 Medical Services Board, 10 CCR 2505-10 8.100.4 MAGI Medical Assistance Eligibility [Eff. 01/01/2014], 8.100.4.A. MAGI Application Requirements

1. Persons requesting a MAGI Medical Assistance category need only to complete the Single Streamlined Application.

*Federal*

ACA §1413(b)(1(A) and §2201; 45 CFR 155.405; 42 CFR 435.907(a)

The Secretary shall develop and provide to each State a single, streamlined form that may be used to apply for all applicable State health subsidy programs within the State and may be filed online, in person, by mail, or by telephone.

42 CFR155.310(b)

*Applicant choice for Exchange to determine eligibility for insurance affordability programs.* The Exchange must permit an applicant to request only an eligibility determination for enrollment in a QHP through the Exchange; however, the Exchange may not permit an applicant to request an eligibility determination for less than all insurance affordability programs.

For additional information see 42 CFR § 155.300-320: Definitions and general standards for eligibility determinations.

**Long term option:** Build a shared application service and shared MAGI rules engine.

Requirements would include:

1. An individual that completes an online application at one of the state's approved eligibility sites, online through PEAK or through C4HCO should have their data sent to a shared rules engine, where modified adjusted gross income (MAGI) is run. A real-time response in the categories outlined below should be received every time:
  - If answer is "not eligible for Medicaid" the applicant and application data is sent to C4HCO immediately.
  - If answer is "yes eligible for Medicaid", the individual is sent through HCPF's process.
  - If there are inconsistencies or missing data needed to determine MAGI, HCPF and C4HCO will work out a process to collect and verify that information.
  - HCPF and C4HCO will agree to develop a process that ensures applicants eligible for C4HCO programs proceed with eligibility determinations even if the applicant fails ID proofing or any federal hub calls, and to support this process, agree to make any corresponding changes needed.
  
2. A single, logic based, dynamic application that is shared between C4HCO and the State and provides a MAGI determination. Based on this MAGI determination, an individual will be routed to the appropriate place. If routed to C4HCO, an Advanced Premium Tax Credit (APTC) and/or Cost Sharing Reduction (CSR) calculation will be made. The application will provide a streamlined consumer experience where the customer is not asked any questions that would not pertain to their individual circumstance. Adheres to federal requirements regarding MAGI determinations. The single application design and requirements must be approved by the State, C4s Board of Directors, and CMS before build commences. C4HCO and the State will develop potential options for the consideration of other programs in the application. Any decisions regarding other state public programs that will impact the shared State and C4HCO application experience and MAGI determination require approval from C4HCO's Board of Directors. Will look to other states for both examples of single, dynamic applications as well as how they interface with other public programs.
  
3. A governance approach that requires a revised contract between C4HCO and the State will be implemented and it will include an agreed upon resolution process and strong stakeholder management (e.g., counties). As a part of this

governance, a shared project management resource will be identified to ensure good communication and a requirement that any changes to the application and the shared rules engine have to be approved by the State and C4HCO’s Board of Directors prior to implementing. In addition, a conflict resolution mechanism will be identified, as well as an evaluation about how funding streams, requirements, and constraints come into play. Prioritization for maintenance, upgrades, and SLAs must be in place to protect both organizations. All requirements, design, and operational policies have to be approved by the State and C4HCO’s Board of Directors before implementing.

4. Both Medicaid and C4HCO need to own and maintain their customer information. C4HCO has a fiduciary responsibility to the Board of Directors and carrier partners – as well as the citizens of Colorado. To achieve appropriate data governance, the system of record for customer data must be the organization that enrolled that customer.

Figure 1.

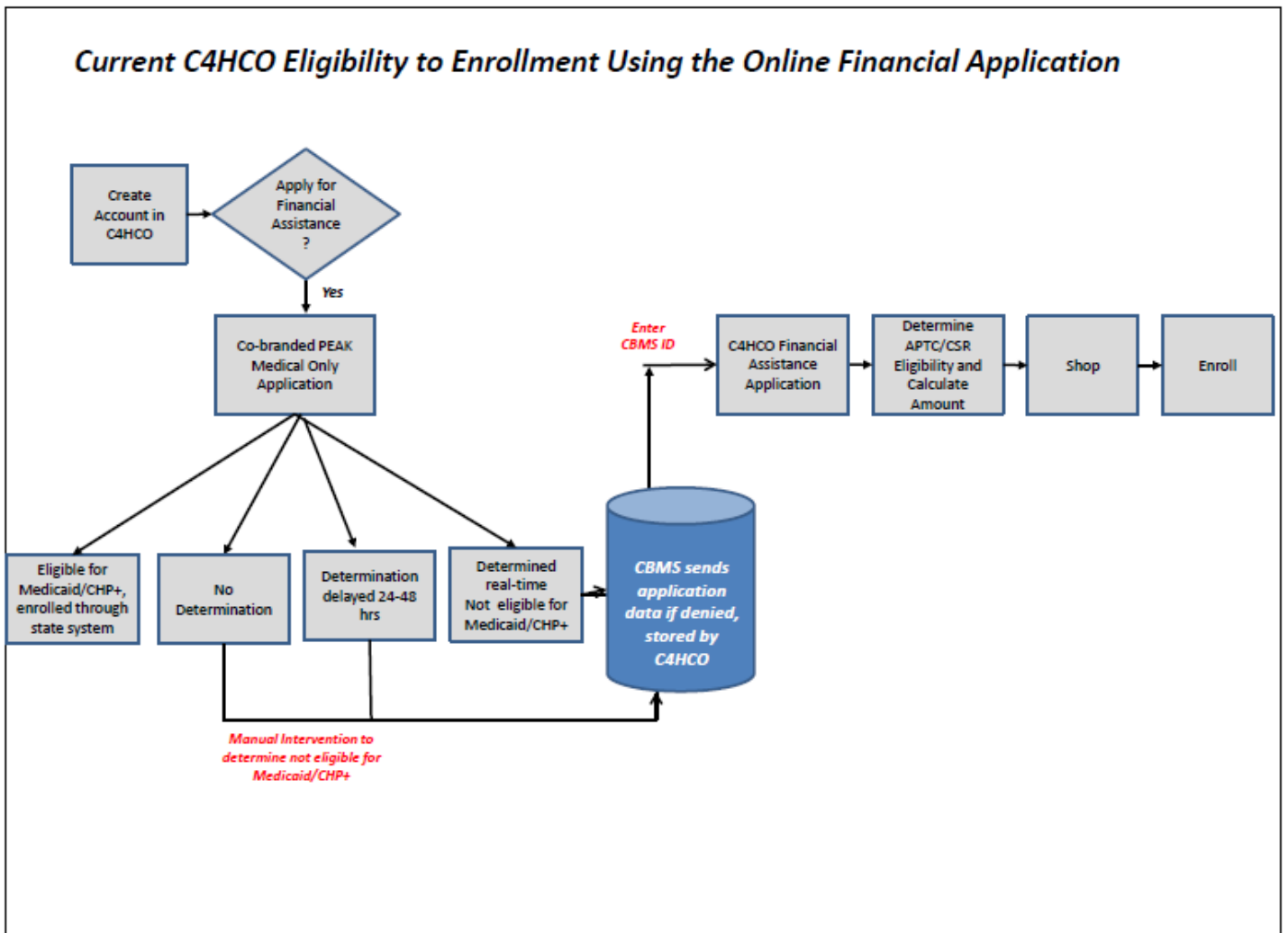
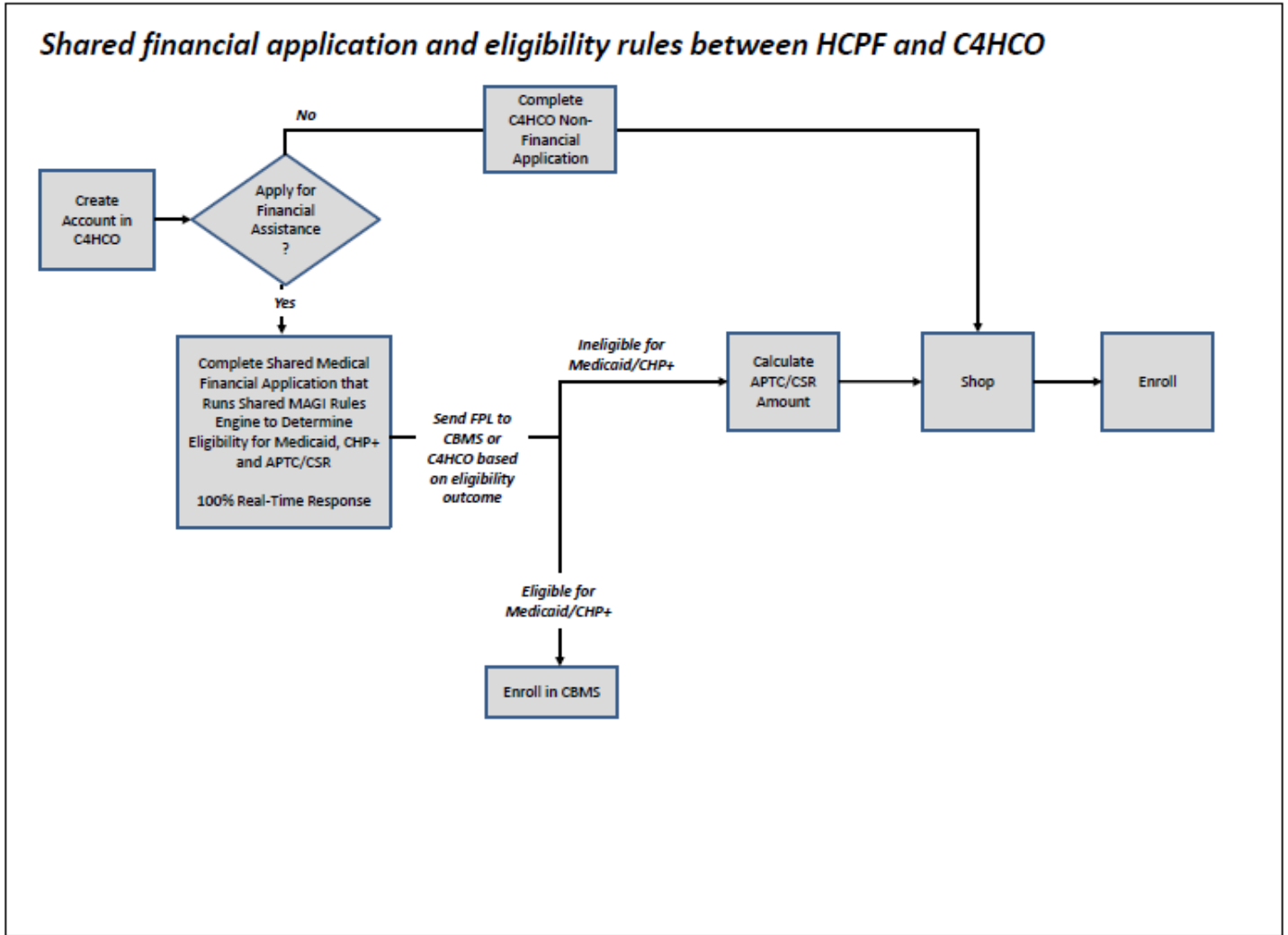


Figure 2.



**Recommendation:** Move forward to implement the shared insurance affordability program service as outline in the requirements above.